

Merger Enforcement Actions - (FY 2013)

Thus far, In FY 2013, the agency challenged 8 transactions of which 0 fall in the Abandoned, Restructured or Fix-it-First category, and are thus non public.

Matter:

Enforcement

Date:

Industry:

Consent Order Accepted for Comment

1. **1210081 - Robert Bosch Industrietreuhand / SPX** 11/26/2012 Manufacturing – Industrial Goods

<http://www.ftc.gov/opa/2012/11/bosch.shtm>

On 11/26/2012, the FTC required Robert Bosch GmbH to sell a business that makes equipment used to recharge vehicle air conditioning systems as part of an agreement resolving charges that Bosch's acquisition of SPX Service Solutions U.S. LLC would have been anticompetitive. Under the agreement, Bosch also will grant manufacturers licenses to key patents that they need in order to compete in the market for this equipment. The proposed settlement order also required Bosch to end agreements that restrict third parties from advertising, servicing, distributing, or selling competitive products in the United States. Under the proposed settlement with the FTC, Bosch agreed to sell its automotive air conditioner repair equipment business, including RTI Technologies, Inc., to automotive equipment manufacturer, Mahle Clevite, Inc. Bosch also agreed to resolve allegations that, before its acquisition by Bosch, SPX harmed competition in the market for this equipment by reneging on a commitment to license key, standard-essential patents (SEPs) on fair, reasonable and non-discriminatory (FRAND) terms. The FTC alleged that SPX reneged on its obligation to license on FRAND terms by seeking injunctions against willing licensees of those patents. Bosch has agreed to abandon these claims for injunctive relief.

2. **1010137 - Hertz / Dollar Thrifty** 11/15/2012 Transportation – Auto & Trucks

<http://www.ftc.gov/opa/2012/11/hertz.shtm>

On 11/15/2012, the FTC required Hertz Global Holdings, Inc. (Hertz) to sell its Advantage Rent A Car (Advantage) business, as well as the rights to operate 29 Dollar Thrifty Automotive Group, Inc. (Dollar Thrifty) on-airport locations around the country, under a proposed settlement that resolves charges that Hertz's \$2.3 billion acquisition of Dollar Thrifty would have been anticompetitive. As part of the proposed settlement, Hertz has agreed to sell the entire Advantage business as well as 16 Dollar Thrifty on-airport locations where Advantage does not yet operate to Franchise Services of North America, Inc. (FSNA) and Macquarie Capital (USA) Inc. (Macquarie). FSNA currently operates the U-Save rental car business. In addition, Hertz will sell another 13 Dollar Thrifty on-airport locations to FSNA/Macquarie or another FTC-approved buyer after the deal closes.

3. **1210133 - Corning / Becton Dickinson** 10/31/2012 Manufacturing – Industrial Goods

<http://ftc.gov/opa/2012/10/corning.shtm>

On 10/31/2012, the FTC required Corning, Inc. to transfer assets and to supply some of its laboratory products to another company, under a proposed settlement that resolves charges that Corning's proposed acquisition of Becton, Dickinson and Company's Discovery Labware Division would otherwise be anticompetitive. Under the FTC settlement, Corning will provide assets and assistance to enable life science company Sigma-Aldrich Co., LLC to manufacture Corning's line of tissue culture treated (TCT) dishes, multi-well plates, and flasks in a manner substantially similar to Corning's process. Until Sigma Aldrich develops its own manufacturing capabilities for these products, Corning will supply them to Sigma Aldrich to be marketed under Sigma Aldrich's own brand, allowing Sigma Aldrich to immediately replace the competition lost as a result of Corning's acquisition of Discovery Labware. On 12/21/2012, the FTC approved a final order settling charges that Corning, Inc.'s proposed acquisition of Becton, Dickinson and Company's Discovery Labware Division would have been anticompetitive.

4. **1210132 - Watson Pharmaceuticals / Actavis Group** 10/15/2012 Health Care – Prescription Drugs

<http://www.ftc.gov/opa/2012/10/watson.shtm>

On 10/15/2012, The FTC required Watson Pharmaceuticals, Inc. and Actavis Inc. to sell the rights and assets to 18 drugs to Sandoz International GmbH and Par Pharmaceuticals, Inc. and relinquish the manufacturing and marketing rights to three others, to settle charges that Watson's proposed \$5.9 billion acquisition of Actavis would otherwise be anticompetitive. The settlement protects competition in the markets for 21 current and future generic drugs, used to treat a wide range of conditions ranging from hypertension and diabetes to anxiety and attention deficit hyperactivity disorder (ADHD). It is part of the FTC's ongoing effort to promote competition in the health care sector, which benefits U.S. consumers by keeping prices low and quality and choice of products and services high. On 12/14/2012, the FTC approved a final order settling charges that Watson Pharmaceuticals, Inc.'s proposed acquisition of Actavis Inc. would have been anticompetitive in the markets for 21 current and future generic drugs.

Matter:**Enforcement****Date:****Industry:****5. 0910094 - Magnesium Elektron / Revere Graphics**

10/12/2012

Manufacturing – Industrial Goods

<http://www.ftc.gov/opa/2012/10/magelektron.shtm>

On 10/12/2012, Magnesium Elektron, a leader in the production of magnesium plates used for photoengraving, settled Federal Trade Commission charges that its acquisition of rival plate manufacturer Revere Graphics Worldwide, Inc. was anticompetitive and a violation of the antitrust laws. The proposed order resolves the FTC's allegations, and restores the competition eliminated by the merger by requiring Magnesium Elektron to sell necessary intellectual property and technical know-how used to manufacture magnesium plates for photoengraving applications to Kansas-based Universal Engraving. The proposed consent order is designed to remedy the anticompetitive effects of the acquisition by requiring Magnesium Elektron to sell technology and know-how used to manufacture magnesium plates for photoengraving to Universal Engraving. While Universal Engraving does not currently manufacture or sell magnesium plates, it is uniquely positioned to become an effective competitor in this market because it already sells other metals used in the photoengraving process to customers affected by the merger. On 12/26/2012, the FTC approved a final order restoring competition in the market for magnesium plates for photoengraving. According to the FTC's complaint, Magnesium Elektron's 2007 acquisition of Revere Graphics Worldwide was anticompetitive and resulted in the combination of the only two makers and sellers of magnesium plates for photoengraving in the world at that time.

6. 1210157 - Universal Health Services / Ascend Health

10/5/2012

Health Care – Hospitals/Clinics

<http://ftc.gov/opa/2012/10/uhs.shtm>

On 10/05/2012, The FTC required hospital management company Universal Health Services, Inc. to sell an acute inpatient psychiatric facility in the El Paso, Texas/Santa Teresa, New Mexico area to settle Federal Trade Commission charges that UHS's proposed acquisition of Ascend Health Corporation would be anticompetitive. The FTC's complaint charges that UHS's proposed acquisition of Ascend would be anticompetitive and would violate federal antitrust laws. As proposed, the deal allegedly would lead to a virtual monopoly in the provision of acute inpatient psychiatric services to commercially insured patients in the El Paso/Santa Teresa area. The complaint alleges that the deal would eliminate competition in the local market between UHS and Ascend, which has benefitted local consumers through lower health care costs, higher quality of care, and improved services. On 11/30/2012, the FTC approved a final order settling Universal Health Corporation, Inc.'s (UHS) proposed acquisition of Ascend Health Corporation.

Preliminary Injunction**1. 1210140 - Integrated Device / PLX**

12/18/2012

Manufacturing – Industrial Goods

<http://www.ftc.gov/opa/2012/12/idthplx.shtm>

On 12/18/2012, the FTC issued an administrative complaint seeking to stop electronics component manufacturer Integrated Device Technology, Inc.'s proposed \$330 million acquisition of PLX Technology, Inc., a deal that allegedly would give the combined firm a near-monopoly in the market for a type of integrated computer circuits called PCIe switches, which perform critical connectivity functions in computers and other electronic devices widely used by American consumers and businesses. The Commission also authorized the staff to seek a preliminary injunction in federal district court or other relief necessary to stop the deal pending a full administrative trial. On 12/19/2012, the parties abandoned the transaction.

2. 1210155 - Reading Hospital / Surgical Institute of Reading

11/16/2012

Health Care – Hospitals/Clinics

<http://ftc.gov/opa/2012/11/reading.shtm>

On 11/16/2012, the FTC authorized an action to block Reading Health System's proposed acquisition of Surgical Institute of Reading L.P. (SIR), alleging that the combination of the two health care providers would substantially reduce competition in the area surrounding Reading, Pennsylvania, and lead to reduced quality and higher health care costs for the area's employers and residents. The FTC, jointly with the Pennsylvania Attorney General, will file a complaint in federal district court next week seeking a preliminary injunction to stop the deal pending an administrative trial. The FTC has also issued an administrative complaint, initiating a proceeding that will determine the legality of the transaction following a full trial consisting of up to 210 hours of live testimony before an FTC Administrative Law Judge (ALJ). On 12/7/2012, the FTC formally dismissed the administrative complaint.